

SECRET

4 December 1982

MEMORANDUM FOR: Director of Central Intelligence

FROM: Maurice Ernst, NIO/EC

SUBJECT: Material for Possible Sunday NSC Meeting
on East-West Issues

1. I understand the proposal for the meeting was triggered by a CIA briefing paper (by SOVA, EURA and myself) on the Astrakhan gas project. The paper was requested by Roger Robinson of the NSC staff for Secretary Shultz. The paper apparently made quite a stir. I am told Shultz plans to address the issue with the French, and perhaps others during his European trip which begins Monday. The point is that the allies who are competing for the contracts seem unlikely to hold the line on the OECD consensus interest rates unless something is done. This would seem to be a good test of the allies ability to avoid self-destructive competition. Attached are the CIA briefing paper on Astrakhan (A) and a draft SOVA article providing a bit more detail (B).

2. For your background, I am including a memorandum from me which was on its way to you through Harry Rowen and Bob Gates (both have seen it and have no problems), on the follow-up to the Shultz non-paper, the main areas of agreement with our allies, the main questions to be addressed, and what the DDI and the NIC are doing or can do to help. (C) You may also want to look at the attached copies of the "non-paper" and the recent NSDD on East-West relations. (D, E)

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